

MICHIGAN PUBLIC SERVICE COMMISSION (EXCERPT)
Act 3 of 1939

***** 460.6c THIS SECTION IS REPEALED BY ACT 341 OF 2016 EFFECTIVE APRIL 20, 2017 *****

460.6c Energy conservation programs, including energy conservation loan programs, for residential customers of electric and gas utilities; approval; costs; conservation devices, services, and materials; cost benefit information; cost of personally installing insulation; rules; public utility as licensed contractor; accepting application for loan or making loan after certain date prohibited.

Sec. 6c. (1) The Michigan public service commission may approve energy conservation programs, including energy conservation loan programs, for residential customers of electric and gas utilities.

(2) The costs of money, bad debt expense, administrative costs, and the cost of residential energy audits associated with an energy conservation program authorized by this section, other than an energy conservation loan program, shall be included only in general utility rates. The cost of money, bad debt expense, and administrative costs associated with an energy conservation loan program shall be included only in residential utility rates. The inclusion of costs in utility rates as provided in this subsection shall not continue after the costs arising from an approved energy conservation program have been recovered.

(3) The conservation programs subject to this section shall provide conservation devices, services, and materials and may include ceiling and wall insulation, flue dampers, caulking, and weather stripping in compliance with state laws and rules. A residential energy audit or preinspection shall be completed by the utility prior to the installation of any device or material or approval of a loan pursuant to this section. A residential customer participating in an energy conservation program shall be provided with cost benefit information regarding those conservation devices, services, and materials as they apply to the customer's residence.

(4) If a residential customer participating in an energy conservation program personally installs insulation in the customer's place of residence, the cost of installation shall not be included as part of the customer's participation in the program.

(5) The Michigan public service commission shall promulgate rules pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, as amended, being sections 24.201 to 24.328 of the Michigan Compiled Laws, to establish standards for energy conservation loan programs implemented under this section. The rules shall include provisions to insure that the conservation devices and materials installed under the program comply with federal and state product safety guidelines and, unless personally installed by the customer, are contracted out to, and installed by, licensed contractors who meet the requirements of the commission's rules and are chosen by the customer from a list of contractors provided by the utility, and that the contracts are awarded on a competitive basis. A public utility shall not be considered a licensed contractor for purposes of this subsection. This subsection shall not preclude a public utility from participating in the installation of conservation devices as part of a demonstration or testing program under this act.

(6) A utility company maintaining an energy conservation program permitted under this section shall not accept an application for a loan under that program after December 31, 1986. A utility company maintaining an energy conservation program shall not make a loan as a part of that program after June 30, 1987.

History: Add. 1978, Act 211, Imd. Eff. June 5, 1978;—Am. 1983, Act 80, Imd. Eff. June 14, 1983;—Am. 1984, Act 378, Eff. Mar. 29, 1985.

Administrative rules: R 460.2401 et seq. of the Michigan Administrative Code.